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9	BEFORE THE DEPARTMENT OF CONSUMER AFFAIRS FOR THE BUREAU OF AUTOMOTIVE REPAIR STATE OF CALIFORNIA	
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12	In the Matter of the Accusation Against:	Case No. 79/08-03
13	HEAUSERS PLAZA TIRE CO., INC., dba HEAUSER PLAZA TIRE & AUTO SERVICE	A COLIC ATTION A CANNOT
14	531 Searls Avenue Nevada City, California 95959-3003	ACCUSATION AGAINST RESPONDENTS HEAUSER AND OLSON
15	MARK HEAUSER, PRES.	PETITION TO REVOKE
16 17	Automotive Repair Dealer Registration No. AA 061817 Smog Check Station License No. RA 061817	PROBATION AGAINST RESPONDENT HEAUSER ONLY
18		ч.
	and	
19	DANIEL PATRICK OLSON 13256 Long Valley Road	
20	Penn Valley, California 95946	,
21	Basic Area Technician License No. EB 149155	
22	Respondents.	
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24	Sherry Mehl ("Complainant") alleges:	
25	<u>PARTIES</u>	
26	1. Complainant brings this Accusation solely in her official capacity as the	
27	Chief of the Bureau of Automotive Repair ("Bureau"), Department of Consumer Affairs.	
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### **Automotive Repair Dealer Registration**

2. On or about January 27, 1978, the Bureau issued Automotive Repair Dealer Registration No. AA 061817 ("registration") to Heausers Plaza Tire Co., Inc., doing business as Heauser Plaza Tire & Auto Service ("Respondent Heauser"). The registration was in full force and effect at all times relevant to the charges brought herein and will expire on January 31, 2008, unless renewed.

### **Smog Check Station License**

3. On or about May 19, 1993, the Bureau issued Smog Check Station License No. RA 061817 ("station license") to Respondent. The station license was in full force and effect at all times relevant to the charges brought herein and will expire on January 31, 2008, unless renewed.

#### Basic Area Technician License

4. On or about May 11, 2004, the Bureau issued Basic Area Technician License No. EB 149155 ("technician license") to Daniel Patrick Olson ("Respondent Olson"). The technician license was in full force and effect at all times relevant to the charges brought herein and will expire on May 31, 2008, unless renewed.

### **PRIOR DISCIPLINARY ACTION**

5. Pursuant to the Decision and Order in Accusation No. 79/05-10, attached hereto as **Exhibit** "A" and incorporated herein by reference, effective July 25, 2005, the Director of Consumer Affairs ("Director") revoked Respondent's Automotive Repair Dealer Registration No. AA 061817, revocation was stayed, and Respondent was placed on probation for two (2) years with terms, including Term 1, set forth below. Further, pursuant to said Decision and Order, Respondent's Smog Check Station License No. RA 061817 was revoked, revocation stayed and Respondent was placed on probation for three (3) years with terms, including Term 1, set forth as follows:

<u>Term 1 - Obey all Laws:</u> Respondent shall comply with all statutes, regulations, and rules governing automotive inspections, estimates, and repairs.

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### STATUTORY PROVISIONS

- 6. Section 9884.7 of the Business and Professions Code ("Code") states, in pertinent part:
  - (a) The director, where the automotive repair dealer cannot show there was a bona fide error, may refuse to validate, or may invalidate temporarily or permanently, the registration of an automotive repair dealer for any of the following acts or omissions related to the conduct of the business of the automotive repair dealer, which are done by the automotive repair dealer or any automotive technician, employee, partner, officer, or member of the automotive repair dealer.
  - (1) Making or authorizing in any manner or by any means whatever any statement written or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.
  - (3) Failing or refusing to give to a customer a copy of any document requiring his or her signature, as soon as the customer signs the document.
    - (4) Any other conduct which constitutes fraud.
  - (b) Except as provided for in subdivision (c), if an automotive repair dealer operates more than one place of business in this state, the director pursuant to subdivision (a) shall only refuse to validate, or shall only invalidate temporarily or permanently the registration of the specific place of business which has violated any of the provisions of this chapter. This violation, or action by the director, shall not affect in any manner the right of the automotive repair dealer to operate his or her other places of business.
  - (c) Notwithstanding subdivision (b), the director may refuse to validate, or may invalidate temporarily or permanently, the registration for all places of business operated in this state by an automotive repair dealer upon a finding that the automotive repair dealer has, or is, engaged in a course of repeated and willful violations of this chapter, or regulations adopted pursuant to it.
- 7. Code section 9884.13 provides, in pertinent part, that the expiration of a valid registration shall not deprive the director or chief of jurisdiction to proceed with a disciplinary proceeding against an automotive repair dealer or to render a decision invalidating a registration temporarily or permanently.
- 8. Code section 477 provides, in pertinent part, that "Board" includes "bureau," "commission," "committee," "department," "division," "examining committee," "program," and "agency." "License" includes certificate, registration or other means to engage in a business or profession regulated by the Code.

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- 9. Section 44002 of the Health and Safety Code provides, in pertinent part, that the Director has all the powers and authority granted under the Automotive Repair Act for enforcing the Motor Vehicle Inspection Program.
  - 10. Section 44072.2 of the Health and Safety Code states:

The director may suspend, revoke, or take other disciplinary action against a license as provided in this article if the licensee, or any partner, officer, or director thereof, does any of the following:

- (a) Violates any section of this chapter [the Motor Vehicle Inspection Program (Health and Saf. Code, § 44000, et seq.)] and the regulations adopted pursuant to it, which related to the licensed activities.
- (c) Violates any of the regulations adopted by the director pursuant to this chapter.
- (d) Commits any act involving dishonesty, fraud, or deceit whereby another is injured.
- 11. Section 44072.6 of the Health and Safety Code provides, in pertinent part, that the expiration or suspension of a license by operation of law, or by order or decision of the Director of Consumer Affairs, or a court of law, or the voluntary surrender of the license shall not deprive the Director of jurisdiction to proceed with disciplinary action.
  - 12. Section 44072.8 of the Health and Safety Code states:

"When a license has been revoked or suspended following a hearing under this article, any additional license issued under this chapter in the name of the licensee may be likewise revoked or suspended by the director."

13. Code section 125.3 provides, in pertinent part, that a Board may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

### **ACCUSATION**

## **UNDERCOVER OPERATION - DECEMBER 8, 2006**

14. On or about December 8, 2006, a Bureau undercover operator using the alias "Jessica Sullivan" ("operator") drove a Bureau documented 2000 Chevrolet Malibu, California License Plate No. 4KUH087, to Respondent Heauser's facility and requested a smog

inspection. The vehicle could not pass a smog inspection because the vehicle's air injection system ("AIR") was missing. The operator signed and received a copy of Work Order No. 3088714. Respondent Olson performed the smog inspection and issued electronic Certificate of Compliance No. MM675947, certifying that the vehicle was in compliance with all applicable 4 laws and regulations. In fact, the vehicle could not pass the visual portion of the smog inspection 5 because the vehicle's AIR system was missing. 6 7

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### FIRST CAUSE FOR DISCIPLINE

### (Untrue or Misleading Statements)

15. Respondent Heauser has subjected its registration to discipline under Code section 9884.7, subdivision (a)(1), in that on or about December 8, 2006, it made statements which it knew or which by exercise of reasonable care it should have known were untrue or misleading by issuing electronic Certificate of Compliance No. MM675947 for the 2000 Chevrolet Malibu, certifying that it was in compliance with applicable laws and regulations. In fact, the vehicle could not have passed the visual portion of the smog inspection because its AIR system was missing.

### SECOND CAUSE FOR DISCIPLINE

### (Fraud)

16. Respondent Heauser has subjected its registration to discipline under Code section 9884.7, subdivision (a)(4), in that on or about December 8, 2006, it committed acts which constitute fraud by issuing electronic Certificate of Compliance No. MM675947 for the 2000 Chevrolet Malibu without performing a bona fide inspection of the emission control devices and systems on the vehicle, thereby depriving the People of the State of California of the protection afforded by the Motor Vehicle Inspection Program.

### THIRD CAUSE FOR DISCIPLINE

### (Violation of the Motor Vehicle Inspection Program)

17. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (a), in that on or about December 8, 2006, with regard to the 2000 Chevrolet Malibu, it violated sections of that Code, as follows:

- a. <u>Section 44012, subdivision (f):</u> Respondent Heauser failed to perform emission control tests on the vehicle in accordance with procedures prescribed by the department.
- b. <u>Section 44015, subdivision (b)</u>: Respondent Heauser issued electronic Certificate of Compliance No. MM675947 for the vehicle without properly testing and inspecting the vehicle to determine if it was in compliance with section 44012 of that Code.
- c. <u>Section 44059:</u> Respondent willfully made false entries for electronic Certificate of Compliance No. MM675947 by certifying that the vehicle had been inspected as required when, in fact, it had not.

### FOURTH CAUSE FOR DISCIPLINE

### (Violations of Regulations Pursuant to the Motor Vehicle Inspection Program)

- 18. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (c), in that on or about December 8, 2006, regarding the 2000 Chevrolet Malibu, it violated sections of the California Code of Regulations, title 16, as follows:
- a. <u>Section 3340.24, subdivision (c):</u> Respondent Heauser falsely or fraudulently issued electronic Certificate of Compliance No. MM675947 for the vehicle without performing a bona fide inspection of the emission control devices and systems on the vehicle as required by Health and Safety Code section 44012.
- b. <u>Section 3340.35, subdivision (c)</u>: Respondent Heauser issued electronic Certificate of Compliance No. MM675947 for the vehicle even though the vehicle had not been inspected in accordance with section 3340.42 of that Code.
- c. <u>Section 3340.42:</u> Respondent Heauser failed to conduct the required smog tests and inspections of the vehicle in accordance with the Bureau's specifications.

### FIFTH CAUSE FOR DISCIPLINE

### (Dishonesty, Fraud or Deceit)

19. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (d), in that on or about December 8, 2006, regarding the 2000 Chevrolet Malibu, it committed acts involving dishonesty, fraud or deceit

information into the EIS unit by entering "N/A" for the AIR system when in fact, the AIR system

is a required emission control device for this vehicle.

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### **EIGHTH CAUSE FOR DISCIPLINE**

### (Dishonesty, Fraud or Deceit)

22. Respondent Olson has subjected his technician license to discipline under Health and Safety Code section 44072.2, subdivision (d), in that on or about December 8, 2006, he committed acts involving dishonesty, fraud or deceit whereby another was injured by issuing electronic Certificate of Compliance No. MM675947 for the 2000 Chevrolet Malibu without performing a bona fide inspection of the emission control devices and systems on the vehicle, thereby depriving the People of the State of California of the protection afforded by the Motor Vehicle Inspection Program.

### **UNDERCOVER OPERATION - DECEMBER 27, 2006**

23. On or about December 27, 2006, a Bureau undercover operator using the alias "Lester McCoy" ("operator") drove a Bureau documented 1994 Ford Ranger, California License Plate No. 5B57772, to Respondent Heauser's facility and requested a smog inspection. The vehicle could not pass a smog inspection because the vehicle's positive crankcase ventilation system ("PCV") was missing. The operator signed and received a copy of Work Order No. 3089224. Respondent Olson performed the smog inspection and issued electronic Certificate of Compliance No. MO063718, certifying that the vehicle was in compliance with all applicable laws and regulations. In fact, the vehicle could not pass the visual portion of the smog inspection because the vehicle's PCV system was missing.

### NINTH CAUSE FOR DISCIPLINE

### (Untrue or Misleading Statements)

24. Respondent Heauser has subjected its registration to discipline under Code section 9884.7, subdivision (a)(1), in that on or about December 27, 2006, it made statements which it knew or which by exercise of reasonable care it should have known were untrue or misleading by issuing electronic Certificate of Compliance No. MO063718 for the 1994 Ford Ranger, certifying that it was in compliance with applicable laws and regulations when, in fact, the vehicle could not have passed the smog inspection because its PCV system was missing.

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#### TENTH CAUSE FOR DISCIPLINE

### (Fraud)

25. Respondent Heauser has subjected its registration to discipline under Code section 9884.7, subdivision (a)(4), in that on or about December 27, 2006, it committed acts which constitute fraud by issuing electronic Certificate of Compliance No. MO063718 for the 1994 Ford Ranger without performing a bona fide inspection of the emission control devices and systems on the vehicle, thereby depriving the People of the State of California of the protection afforded by the Motor Vehicle Inspection Program.

### **ELEVENTH CAUSE FOR DISCIPLINE**

### (Violation of the Motor Vehicle Inspection Program)

- 26. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (a), in that on or about December 27, 2006, with regard to the 1994 Ford Ranger, it violated sections of that Code, as follows:
- a. <u>Section 44012, subdivision (f):</u> Respondent Heauser failed to perform emission control tests on the vehicle in accordance with procedures prescribed by the department.
- b. <u>Section 44015, subdivision (b):</u> Respondent Heauser issued electronic Certificate of Compliance No. MO063718 for the vehicle without properly testing and inspecting the vehicle to determine if it was in compliance with section 44012 of that Code.
- c. <u>Section 44059:</u> Respondent Heauser willfully made false entries for electronic Certificate of Compliance No. MO063718, by certifying that the vehicle had been inspected as required when, in fact, it had not.

### TWELFTH CAUSE FOR DISCIPLINE

### (Violations of Regulations Pursuant to the Motor Vehicle Inspection Program)

27. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (c), in that on or about December 27, 2006, regarding the 1994 Ford Ranger, it violated sections of the California Code of Regulations, title 16, as follows:

- a. <u>Section 3340.24, subdivision (c):</u> Respondent Heauser falsely or fraudulently issued electronic Certificate of Compliance No. MO063718 for the vehicle without performing a bona fide inspection of the emission control devices and systems on the vehicle as required by Health and Safety Code section 44012.
- b. <u>Section 3340.35, subdivision (c):</u> Respondent Heauser issued electronic Certificate of Compliance No. MO063718 for the vehicle even though the vehicle had not been inspected in accordance with section 3340.42 of that Code.
- c. <u>Section 3340.42:</u> Respondent Heauser failed to conduct the required smog tests and inspections of the vehicle in accordance with the Bureau's specifications.

### THIRTEENTH CAUSE FOR DISCIPLINE

### (Dishonesty, Fraud or Deceit)

28. Respondent Heauser has subjected its station license to discipline under Health and Safety Code section 44072.2, subdivision (d), in that on or about December 27, 2006, regarding the 1994 Ford Ranger, it committed acts involving dishonesty, fraud or deceit whereby another was injured by issuing electronic Certificate of Compliance No. MO063718 for the vehicle when, in fact, the vehicle had not been properly tested and inspected, thereby depriving the People of the State of California of the protection afforded by the Motor Vehicle Inspection Program.

## FOURTEENTH CAUSE FOR DISCIPLINE

# (Violations of the Motor Vehicle Inspection Program)

- 29. Respondent Olson has subjected his technician license to discipline under Health and Safety Code section 44072.2, subdivision (a), in that on or about December 27, 2006, regarding the 1994 Ford Ranger, he violated sections of that Code, as follows:
- a. <u>Section 44012, subdivision (f):</u> Respondent Olson failed to determine that all emission control devices and systems required by law were installed and functioning correctly in accordance with test procedures.
- b. <u>Section 44032:</u> Respondent Olson failed to perform tests of the emission control devices and systems on the vehicle in accordance with section 44012 of that Code.

c. <u>Section 44059:</u> Respondent Olson entered false information into the EIS unit by entering "Pass" for the PCV system when in fact, the vehicle could not have passed the visual portion of the smog inspection because the PCV system was missing from the vehicle.

### FIFTEENTH CAUSE FOR DISCIPLINE

### (Violations of Regulations Pursuant to the Motor Vehicle Inspection Program)

- 30. Respondent Olson has subjected his technician license to discipline under Health and Safety Code section 44072.2, subdivision (c), in that on or about December 27, 2006, regarding the 1994 Ford Range, he violated sections of the California Code of Regulations, title 16, as follows:
- a. <u>Section 3340.30, subdivision (a):</u> Respondent Olson failed to inspect and test the vehicle in accordance with Health and Safety Code section 44012.
- b. <u>Section 3340.41, subdivision (c)</u>: Respondent Olson entered false information into the EIS unit by entering "Pass" for the PCV system when, in fact, the vehicle could not have passed the visual portion of the smog inspection because the PCV system was missing from the vehicle.

### SIXTEENTH CAUSE FOR DISCIPLINE

### (Dishonesty, Fraud or Deceit)

31. Respondent Olson has subjected his technician license to discipline under Health and Safety Code section 44072.2, subdivision (d), in that on or about December 27, 2006, he committed acts involving dishonesty, fraud or deceit whereby another was injured by issuing electronic Certificate of Compliance No. MO063718 for the 1994 Ford Ranger without performing a bona fide inspection of the emission control devices and systems on the vehicle, thereby depriving the People of the State of California of the protection afforded by the Motor Vehicle Inspection Program.

#### PETITION TO REVOKE PROBATION

32. The allegations of paragraphs 1 through 31 of the accusation above are incorporated herein by reference as though fully set forth and are realleged.

33. Grounds exist to revoke the probation and reimpose the order of revocation of Respondent Heauser's Automotive Repair Dealer Registration No. AA 061817 and Smog Check Station License No. RA 061817, in that Respondent Heauser failed to comply with all statutes, regulations, and rules governing estimates and inspections as required by Term 1 of the terms of its probation under Decision and Order No. 79/05-10, as set forth in paragraphs 14 through 31 of the accusation above.

### **OTHER MATTERS**

- 34. Under Code section 9884.7, subdivision (c), the director may invalidate temporarily or permanently, the registrations for all places of business operated in this state by Heauser's Plaza Tire Co., Inc., dba Heauser Plaza Tire & Auto Service, upon a finding that it has, or is, engaged in a course of repeated and willful violations of the laws and regulations pertaining to an automotive repair dealer.
- 35. Under section 44072.8 of the Health and Safety Code, if Smog Check Station License No. RA 061817, issued to Heauser's Plaza Tire Co., Inc., dba Heauser Plaza Tire & Auto Service is revoked or suspended, any additional license issued under this chapter in the name of said licensee may be likewise revoked or suspended by the director.
- 36. Under section 44072.8 of the Health and Safety Code, if Basic Area Technician License No. EB 149155, issued to Daniel Patrick Olson is revoked or suspended, any additional license issued under this chapter in the name of said licensee may be likewise revoked or suspended by the director.

### **PRAYER**

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director of Consumer Affairs issue a decision:

1. Vacating the stay and reimposing the order of revocation of Automotive Repair Dealer Registration No. AA 061817, issued to Heauser's Plaza Tire Co., Inc., dba Heauser Plaza Tire & Auto Service;

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